

VZCZCXRO9304

PP RUEHAG RUEHAST RUEHDA RUEHDBU RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA
RUEHLM RUEHLZ RUEHNP RUEHPOD RUEHROV RUEHSK RUEHSL RUEHSR RUEHVK
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FM AMEMBASSY PRAGUE
TO RUEHC/SECSTATE WASHDC PRIORITY 1798
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RUEHWR/AMEMBASSY WARSAW PRIORITY 3343
RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY
RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY

UNCLAS PRAGUE 000585

SIPDIS

OPIC FOR BRERETON, COMMERCE FOR HILLEARY SMITH, STATE FOR
EUR/CE JBERGEMANN

E.O. 12958: N/A

TAGS: [ECON](#) [EFIN](#) [ENRG](#) [PGOV](#) [EZ](#)

SUBJECT: CZECH REPUBLIC: OPIC-SUPPORTED GLOBAL RENEWABLE
ENERGY INVESTMENT FUND

REF: A. STATE 95170

[1B.](#) WARSAW 1007

[11.](#) Post is not aware of any disparaging or derogatory information with respect to the prospective fund manager, US Renewables Group, LLC. Post supports OPIC's proposed investment in the USRG Emerging market Fund ("the fund").

[12.](#) The Fund's objective's are consistent with the Czech Republic's energy needs and policies. Renewable energy sources (primarily hydro-electric, wind and geothermal) account for only 5.2 percent of the Czech Republic's energy consumption. The Czech Republic is under an EU-mandate to increase renewable energy production to 13 percent of its total energy output by 2020, with an interim goal of 8 percent by 2010. While government policies are in place to support alternative energy production, an uncertain regulatory future makes financing renewable projects particularly difficult, and in some fields alternative energy resource development is in its early stages. Support for renewable energy project financing is consistent with U.S. interests in the Czech Republic.

Thompson-Jones